

PETROLEUM TANK RELEASE COMPENSATION BOARD  
MINUTES  
Business Meeting  
May 1, 2006  
Department of Environmental Quality  
Metcalf Building Room 111, 1520 East 6<sup>th</sup> Avenue  
Helena, MT

Members in attendance were Thomas Bateridge, Theresa Blazicevich, Frank Boucher, Greg Cross, Roger Noble, Shaun Peterson, and Frank Schumacher. Also in attendance were Terry Wadsworth, Executive Director, and Paul Johnson, Board attorney.

Presiding Officer Cross called the meeting to order at 10:00 a.m.

**Approval of Minutes**

Mr. Noble moved to accept the minutes of the March 6, 2006 Board meeting as written. Mr. Peterson seconded. **The motion was approved.** Mr. Bateridge arrived after the vote was taken.

**St Mary Lodge & Resort – Fac ID #18-01907, Rel #4409, St. Mary – Eligibility**

Mr. Wadsworth presented a summary of the chronology of events at this site. He noted that the release was not reported within seven days after receipt of lab results, as required by law. Therefore, the tanks were not in compliance at the time the release was discovered.

Sally Welder, Vice President of Hugh Black St. Mary Enterprises, addressed the Board. She first received information about the release in June. The former lessee was on site and responsible for removal and monitoring. The company has always followed Department of Environmental Quality (DEQ) guidelines. All their tanks were checked and were in compliance in 1993. The company hired Northwest Fuels, a reputable contractor, to remove the piping and dispensers. Rocky Black was in charge of the matter at the time, and kept her up to date. In September, when eligibility was originally denied, she asked Rocky to provide her with information about the events concerning the release. In the meantime there has been litigation, so the information has not yet been provided to her. As a result, she does not have the exact chronology, and has had to recreate it by talking to Northwest Fuels and Advanced Analytical Associates. Mr. French wrote a letter concerning the chronology as he saw it, and Advanced Analytical has provided information.

Don May, Maxim Technologies, addressed the Board. He noted that Maxim was not involved in the site until after the dispensers were pulled in 2005, but at Ms. Welder's request he has researched the events and provided a chronology. Samples were collected on March 29 and 30, 2005 by Northwest Fuels and sent to the lab. There was no indication of hydrocarbon impact at the time the samples were taken. The EPH analysis was performed on April 8 and reported in the lab on April 11. The fractions for the one sample that exceeded 50 ppm were analyzed on April 12 and reported in the lab on April 13. He provided a letter from Advanced Analytical indicating that the lab results were sent to NW Fuel Systems on April 15 (Friday). After discussions with Advanced Analytical and Northwest Fuels, Mr. May concluded that the lab results were received by Northwest Fuels on April 20. DEQ was notified of the lab results on April 26, 2005, within the seven days required by law.

Presiding Officer Cross asked if the delay of five days resulted in any additional impact to the environment.

Mr. May stated he did not believe there was any additional impact. There was no indication of a release when the samples were taken, and contamination was confirmed only after lab analyses were completed. The seven-day reporting period began when Northwest Fuels received the results.

Mr. Cross asked Mr. Wadsworth if the problem in this matter is one of logistics that had no impact on the effect of the contamination.

Mr. Wadsworth agreed with Mr. May that the delay in reporting had no impact on the severity of the contamination or the cost of potential cleanup activities. He stated that the staff had an indication that Northwest Fuels had the information available and believed it was not reported to the DEQ within the required time. However, there is no way of knowing what happened to the information once it was received by Northwest Fuels. It is possible the person to whom the results were sent was not in the office for several days and did not see the results.

Ms. Blazicevich asked when the owner was notified of the lab results.

Ms. Welder indicated that those results were sent directly to Rocky Welder, and she has not been able to obtain a copy due to the litigation. She received a letter from Rocky in June (2005) notifying her that the islands had been removed. June was the first time she was aware of the release.

Mr. Peterson moved to reject the staff's recommendation, and to ratify the release as eligible for the Fund, since it appears unclear when the results were received and were likely within the seven-day period required by law. Mr. Bateridge seconded. **The motion was unanimously approved.**

**Mary Hightower Property – Fac ID #56-14109, Rel #4274, Silver Gate - Eligibility**

Consideration of this matter was postponed until a later date at the request of Ms. Hightower's attorney.

**Disputed Claim - #20050613A – Former Phillips 66, Fac ID #60-15021, Rel #3964, Noxon**

The Department of Environmental Quality appealed adjustments to a claim for reimbursement. DEQ is the party designated to receive payment at this site. Costs were denied because they were submitted more than five years after the work was performed. The statute, at §75-11-307(2)(h), prohibits reimbursement of expenses more than five years old, unless the claim has been suspended by an eligibility appeal. There was no eligibility appeal in this case. The law does allow the Board to grant reasonable extensions.

Presiding Officer Cross noted that the Montana Department of Transportation (MDT) is the only entity of several potentially responsible parties that agreed to pay for cleanup of this site. The claim was postponed and DEQ is looking for reimbursement of its out of pocket costs. The LUST trust fund is involved in this matter, and allowing reimbursement of these costs may open a door to other claims the Board may not want opened.

Paul Johnson, Board attorney, indicated that the general reimbursement rule does not allow reimbursement of costs greater than five years old. The law does allow the Board some discretion to grant reasonable extension of the five year period if a need is shown and it is not due to the negligence of the owner or the agent of the owner. The question before the Board is whether it should bring the Board's discretion to bear and grant an extension of time, and whether there are reasons to extend the time limit.

Presiding Officer Cross stated that his concern is if the Board grants an extension in this case, other LUST trust cases may need to be dealt with down the road.

Mr. Wasdsworth provided background on the eligible site. It is a facility in Noxon where a private owner's irrigation well became contaminated. DEQ determined that MDT purchased a former service station and ended up with a tank in their right of way. The DEQ release notification letter was sent to MDT, Phillips 66 and the former owner of the station. Phillips 66 denied liability and the former owner is unable to pay for cleanup. MDT requested and was granted eligibility.

Mr. Trombetta, Hazardous Waste Bureau Chief, addressed the Board. DEQ had a complaint that an irrigation well was contaminated, and traced the contamination back to the vicinity of this facility. A great deal of time was expended trying to determine who owned the tanks and was responsible for cleanup. MDT did not think it was theirs, but a supplemental investigation revealed that when MDT bought the right-of-way they also bought the tanks. Once the ownership was established, DEQ invoiced MDT for costs to date, even though some of the initial costs were more than five years old. DEQ could not invoice anyone until ownership was determined, just last year. By law, DEQ must recover LUST Trust funds, and DEQ is recovering from MDT, whether or not the Board reimburses MDT.

Brian Goodman, MDT Environmental Services Section, addressed the Board. He stated that he joined MDT in April 2005. He researched MDT property records and established that MDT purchased a right-of-way along Highway 200 in 1962. The Phillips 66 station was in that right-of-way. MDT's policy was, and is, to require the owner to remove tanks before receiving payment for right-of-way purchases. According to MDT's records two gas pumps, a pump island, two 1,000-gallon tanks and a sign were moved off the right-of-way to another location near the station building and the station continued to operate. Investigation showed an apparent leak site that may have been a leak as far back as the 1950s, but it is not clear that it came from the tanks in the right-of-way. MDT submitted a Form 1-R in April 2005. It is difficult to say where the contamination came from, since the facility continued to operate once the tanks were moved. There is a significant portion of the contamination that is underneath the highway. The remainder has been excavated.

Presiding Officer Cross noted the concern the Board's concern that more LUST Trust fund sites might come back to the Fund if these costs are allowed. The plume under the highway will require quite a bit of monitoring and he suggested that MDT work closely with the DEQ to develop a cost effective plan.

Ronna Alexander, Petroleum Marketers Association, stated her concern that the Fund was not intended to reimburse LUST Trust sites. That program and the Petroleum Fund are totally different programs, though both programs address petroleum releases from underground tanks. She indicated she would be more comfortable if payment could be made to MDT, rather than to DEQ. The LUST Trust fund is a federally funded program that States have been paying into for years and, in her view, has not been returning funds to the States as it should. She suggested people lobby Congress to secure more federal dollars for the LUST Trust program.

Mr. Goodman stated that the policy of MDT is to take responsibility for, and take action on, contamination discovered in highway construction sites that are federally funded. In this particular case, Highway 200 is not an active construction site, so it is a different situation. However, that policy may change, because it is becoming a burden to MDT.

Mr. Schumacher asked when the invoice was sent to MDT. Mr. Trombetta responded that it was sent in April 2005. He noted that this is not the first time the Board has reimbursed LUST Trust, and in this case payment is requested by DEQ because DEQ is the contractor designated by MDT to receive payment for the work performed. In this case, DEQ is asking for a reasonable extension of time on the five-year rule. One of the requirements of the LUST Trust is that, if a responsible party is found, that party is liable for the expenses. It was only recently determined that MDT is the responsible party, and work was begun under the LUST Trust because a domestic well had been contaminated.

Mr. Schumacher asked why it took so long for MDT to be identified as the responsible party.

Mr. Trombetta responded that it was not clear where the contamination was coming from, and the first attempt to determine a responsible party yielded no results. When the landowner indicated she was attempting to sell the property, a second attempt to determine a responsible party was begun, and MDT accepted responsibility.

Ms. Blazicevich asked if the service station was still active.

Mr. Goodman responded that the facility had burned down in the 1970s and was not rebuilt. The property is currently vacant.

Mr. Schumacher moved to accept the staff recommendation to deny payment of the costs more than five years old, based on the fact that the five-year limit was exceeded and it was coincidence that prompted the investigation that found the responsible party. There was no second.

Ms. Alexander asked if this was the first time there has been a request for an exception to the five year rule.

Mr. Johnson and Mr. Wadsworth agreed that this is the first time.

Mr. Peterson asked for clarification that future claims are eligible and that the amount in dispute is approximately \$8,000.

Mr. Wadsworth confirmed that future claims are eligible. He stated that all claims are held to the same standards with regard to documentation and statutory requirements, regardless of who performs the work. Any claim on an eligible site that meets the requirements will be paid.

Mr. Noble moved to accept the staff's recommendation to deny payment of the costs more than five years old because the timing that triggered the claim for the disputed expenses was coincidental, and if the Board does not abide by the five-year rule, the Fund will be exposed to additional requests for extensions. Mr. Schumacher seconded. **The motion was unanimously approved**

#### **Proposed Rule Changes – ARM 17.58.326 & 17.58.336**

The 2005 Legislature amended and simplified the eligibility statute, §75-11-308, MCA, and changed the reimbursement statute, §75-11-309, MCA. The amendments moved all ongoing-compliance requirements for owners and operators from the eligibility statute to the reimbursement statute, so that sanctions for noncompliance are against claims, not eligibility. The changes to the statutes necessitate substantive changes to the underlying rules. These changes will make the numbering and language of the rules consistent with that of the legislation. Mr. Wadsworth presented the proposed changes and requested the Board's approval for the changes and a hearing to be scheduled.

Mr. Johnson noted corrections to typographical errors on the Notice of Public Hearing, correcting the citation in the “Reason” paragraph under 17.58.326. The correct citation is to “new section 75-11-309(1)(b)” instead of 75-11-308(1)(b), and the phrase “to be reimbursed” in the “period of non-compliance” table on the second page of the notice must be moved to the right and aligned under “Percent of allowed claim.” He stated that the rule changes are important because they affect the Board staff’s daily work.

Mr. Schumacher moved that the Board give Mr. Wadsworth approval to proceed with the hearing on the rule changes. Mr. Bateridge seconded. **The motion was unanimously approved.**

### **Eligibility Ratification**

Mr. Wadsworth informed the Board of the eligibility applications before the Board. (See table below). He noted that the staff has recommended that two releases be determined ineligible. He noted that the staff has changed its procedure with regard to determinations of ineligibility, so that an applicant is notified of an “ineligible” determination and requested to provide any additional information that may affect the staff’s recommendation. As a result, some applicants are providing additional information.

Mr. Schumacher noted that at the Powder River County Shop site the release was due to overfilling by the delivery company. He asked if the staff has investigated whether the facility owner can seek damages from the delivery company’s insurance carrier.

Mr. Wadsworth responded that the staff has asked the facility owner to pursue damage recovery from the insurance company. Currently the staff asks that owners/operators pursue the insurance recovery avenue, but he is working with Agency Legal Services to change the statute or rules to require that course of action.

Mr. Peterson moved to ratify the eligibility determinations contained in the eligibility table. Mr. Noble seconded. **The motion was unanimously approved.**

Board Staff Recommendations Pertaining to Eligibility From Feb 22, 2006 thru April 20, 2006				
Location	Site Name	Facility ID #	DEQ Release # Release Year	Eligibility Determination – Staff Recommendation Date
Bozeman	Mandeville Family Trust	16-00756	4443 Oct 2005	Eligible – No reported violations 3/20/06
Huntley	Greens Service & Repair	56-00251	2655 June 1995	Eligible – no reported violations 3/22/06
Broadus	Power River County Shop	38-00548	2894 April 1996	Eligible – Overfill of tanks by delivery company. 3/28/06
Broadus	Powder River County Nursing Home	38-00549	1898 Oct 12, 1993	Eligible – No reported violations 3/28/06
Broadus	Town of Broadus	38-04671	417 Oct 5, 1990	Eligible – No reported violations 3/28/06
Broadus	Powder River County Shop	38-00548	1960 Nov 1993	Eligible – No reported violations 3/28/06
Broadus	Park Super Service	38-05046	4162 Mar 2002	Eligible – No reported violations 3/31/06
Livingston	RG Lumber	99-95015	4438 June 9, 2005	Eligible – 500 gallon AST – No reported violations 3/31/06
Red Lodge	T & D Pump	05-04228	2034 Dec 1993	Ineligible – March 30, 2006
Big Sandy	4-Way Fuels	08-04021	3780 Aug 1999	Ineligible – March 30, 2006

### **Claims over \$25,000**

Mr. Wadsworth presented the Board with the claims for an amount greater than \$25,000 reviewed since the last Board meeting. (See table below). There are eight claims totaling \$325,214.83.

Mr. Schumacher asked questions concerning expenditures relating to several of the claims. All his questions were answered to his satisfaction.

Mr. Bateridge moved to accept the claims over \$25,000. Mr. Schumacher seconded. **The motion was unanimously approved.**

Location	Facility Name	Facility ID#	Claim #	Claimed Amount	Reimbursed
Colstrip	Colstrip Units 1&2 MPC	44-08922	20060224M	\$26,929.10	\$26,427.12
Billings	Kwiky Auto Wash	56-05755	20060302G	\$74,095.00	\$74,095.00
Great Falls	Town Pump former Buffalo Bobs	07-03463	20060306A	\$25,875.99	\$22,695.66 Co-pay met
Whitefish	Franks Conoco	15-01676	20060308E	\$56,103.18	\$56,103.18
Bozeman	Interstate 90 Exxon	16-08190	20060310A	\$53,650.00	\$49,150.00
Whitefish	Big Mountain Tire	15-11030	20060315J	\$26,233.91	\$18,042.07 Co-pay met with this claim
Bozeman	Interstate 90 Exxon	16-08190	20060330D	\$37,480.00	\$37,480.00
Glasgow	Former Econo Lumber	99-95002	20060405F	\$58,721.80	\$41,221.80 Co-pay met with this claim
<b>Total</b>					<b>\$325,214.83</b>

### **Weekly Reimbursements**

Mr. Wadsworth presented the Board with the summary of weekly claim reimbursements for the weeks of March 1, 2006 through April 19, 2006 for Board ratification. (See table below). There were 251 claims, totaling \$536,137.22.

Mr. Schumacher moved to approve the weekly claim reimbursements. Ms. Blazicevich seconded. **The motion was unanimously approved.**

<b><u>WEEKLY CLAIM REIMBURSEMENTS</u></b> <b>May 1, 2006 BOARD MEETING</b>		
<b><u>Week of</u></b>	<b><u>Number of Claims</u></b>	<b><u>Funds Reimbursed</u></b>
March 1, 2006	30	\$40,652.99
March 15, 2006	37	\$116,882.33
March 22, 2006	54	\$110,800.74
March 29, 2006	42	\$91,588.60
April 5, 2006	29	\$58,537.86
April 12, 2006	34	\$80,077.30
April 19, 2006	25	\$37,597.40
<b>Total</b>	<b>251</b>	<b>\$536,137.22</b>

The Board recessed for a 10 minute break.

### **Pay by Event Task**

Mr. Wadsworth reported on the comments received on the pay-by-event-task concept at the March 27, 2006 consultants' meeting. Several consultants noted that there are significant difficulties presented by the pay-by-event-task concept, because their invoicing system is not formatted to permit invoicing in that manner. They requested that the concept not be required, but indicated they will work to adjust their systems to permit submitting claims in that manner.

Mr. Schumacher suggested that the Board support the staff's efforts to encourage consultants to work to modify their systems, as this can be used to help control remediation costs.

### **PTRCB Applicable Rules and 2007 Legislative Proposals**

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The discussion concerning applicable rules centered on the changes made to the law in the 2005 legislature and the difference between underground storage tanks (USTs) and petroleum storage tanks (PSTs). The 2005 Legislature amended and simplified the eligibility statute, §75-11-308, MCA, and all on-going compliance was moved from eligibility to the reimbursement statute, §75-11-309, MCA. This change affected all permitted USTs. However, the seven-day and 24-hour rules still remain an eligibility requirement for a PST, as defined by the statute, including ASTs and USTs that are not required to be permitted. This discussion item is presented to determine how the Board wishes to address that situation.

As well, §75-11-309(1)(a), MCA currently requires "immediate notification" to the Department upon discovery of a release at a petroleum storage tank. The question is whether the word "immediate" is appropriate, or should be modified to some other language. The rules can be modified to move the 24-hour and seven-day rules from eligibility to reimbursement on the petroleum storage tanks. The wording can also be modified to change the word "immediate" to something more appropriate.

ASTs are currently not regulated by anyone but the Fire Marshall's office, but a release becomes regulated once it is identified. The Board's rules are hinged primarily on the rules associated with the release.

Presiding Officer Cross suggested that the Board's discretion should be different for ASTs than for tightly regulated USTs. He asked that Mr. Johnson be involved in the discussions, to assist in developing a system that will work smoothly.

Ms. Alexander stated that the industry does not want to toss out notification altogether, and is willing to work with the Board to develop an appropriate notification scheme. The concept of using reimbursement adjustments as a way to encourage notification, rather than as a bar to eligibility, is in line with the marketers thought process. Any legislation can be either Board sponsored with industry support, or industry sponsored with Board support.

Mr. Johnson indicated that in order to change section 309, legislation will be necessary.

Mr. Livers, Deputy Director of DEQ, suggested that it is useful if the Board presents the legislation, with industry support. If it is to be Board legislation, all state agencies were required to submit conceptual legislation to the Governor's office in mid-April and if the Board wishes, DEQ can add a general place-holder for the Board's legislation. However, a specific proposal must be available by the August Board meeting.

Mr. Wadsworth confirmed that the Board would like to change the word "immediate" in Section 309 and examine the rule for any necessary changes. The Board would like the industry to bring information to the next Board meeting on possible changes.

### **Fiscal Report**

Mr. Wadsworth presented the Board with the current Fiscal Report.

On the financial report, Mr. Schumacher noted that the revenues expected for the year include \$800,000 in one-time miscellaneous revenue, not from the MDT fee. If that number is excluded, the Board will end the year almost \$300,000 in the red. He emphasized that the Board must continue to be cautious and get back to the point where claims and expenses do not exceed revenues. He requested that Mr. Wadsworth go back and evaluate the last four or five years to see what the actual operating excesses or losses have been (revenues minus expenses minus claims). His evaluation shows the Board moving into deficit rapidly.

For the record, Presiding Officer Cross offered praise and appreciation for the dedicated Board and staff members.

### **Board Attorney Report**

Mr. Johnson noted there are no changes on the report (see table below) other than that Town Pump has filed with the District Court a petition for judicial review of the MAPA contested case on Town Pump Dillon.

All settlement documents have been completed in the Isle Oil case.

Paul Hicks provided a summary of the verdict in the Conoco Pop Inn case. The case involved payment of expenses for processing of claims which should have been the responsibility of the Federated Insurance Company. The jury ruled in favor of the Board. The jury determined that the Board should receive a total of \$126,587.50. The jury is being polled to determine how they reached the compensation amount. Mr. Hicks anticipates that the insurance company will appeal the

Location	Facility	Facility # & Release #	Disputed/ Appointment Date	Status
Boulder	Old Texaco Station	22-11481 Release #03138	Eligibility 11/25/97	Dismissal Pending because cleanup of release completed.
Thompson Falls	Feed and Fuel	45-02633 Release # 03545	Eligibility	Case was stayed on 10/21/99.
Eureka	Town & Country	27-07148 Release #03642	Eligibility 8/12/99	Hearing postponed as of 11/9/99.
Helena	Allen's Oil Bulk Plant	25-01025 Release #02893	Eligibility 11/29/99	Case was stayed on 1/21/00.
Butte	Shamrock Motors	47-08592 Release #03650	Eligibility 10/1/99	Case on hold pending notification to Hearing Officer.
Whitefish	Rocky Mountain Transportation	15-01371 Release #03809	Eligibility 9/11/01	Ongoing discovery. No hearing date set.
Lakeside	Lakeside Exxon	15-13487 Release #03955	Eligibility 11/6/01	In discovery stage.
Helena	Noon's #438	25-03918 Release # 03980	Eligibility 2/19/02	Case stayed.
Belt	Mary Catherine Castner	07-12039	Eligibility 11/22/02	

decision.

### **Board Staff Report**

Mr. Wadsworth presented the Board staff report showing that 75 eligibility applications were received during the past twelve months. 46 were eligible, 1 was ineligible, and 28 are pending. With the completion of the Town Pump Dillon case, several eligibility applications that were pending the outcome of that case have now been determined. The number of claims received in the past twelve months is 1594 and the number reimbursed is 1552. The value of corrective action plans approved in the past twelve months again exceeds the value of plans approved in the previous twelve month period.

Presiding Officer Cross noted that one of the work plans approved is for an additional \$31,000 to be spent on the Hair Station in Glendive. He expressed frustration that work has been ongoing at that site since the late 1980's and it is still not cleaned up.

Sandi Olsen, Division Administrator, offered to bring a report on the site to the next Board meeting.

Presiding Officer Cross noted that the Board has been obligated to expend more than \$1.1 Million since the last board meeting in March.

Mr. Schumacher commented that the \$1.1 Million seems to be more than is usual for such a period, and that additional work plans will be reviewed before the next meeting. If the value of work plans continues at the current rate, the Fund will be faced with a serious financial challenge.

Ms. Olsen asked how this figure compares with the same period last year. This is the cusp of field season.

Mr. Wadsworth directed her attention to the chart titled Value of Corrective Action Plans Approved.

### **Petroleum Release Section Report**

Mr. Trombetta noted there are 16 new releases in calendar year 2006. Of the 16 new releases, six were preventable by secondary containment. Three of the six preventable leaks were from ASTs that had holes, but no effective secondary containment. One of the problems with ASTs is that electrolysis occurs whenever a steel tank is resting on soil or crushed stone, causing corrosion of the tank.

Ms. Olsen provided a summary of the report from the Association of State and Territorial Solid Waste Management Officials (ASTSWMO) to the EPA. EPA would like to see as many sites as possible closed as quickly as possible. The report makes clear that most states have the same issues as Montana. The sites that are easy to clean up are already done. What is left are the more difficult ones and as a result, the rate of closure is decreasing. Groundwater is key to whether a site can be cleaned up quickly. Natural attenuation takes more time, but requires fewer up-front costs. Technology innovations are not occurring as rapidly as in the past, so the remaining sites are those that are more challenging to clean up. The report does point out that fewer new sites are coming into the program. Leak detection and prevention has decreased the number of releases occurring.

### **DEQ Administration & Union Report**

Mr. Livers addressed the Board concerning potential salary impacts to the budget. Maintaining or decreasing administrative costs has been a goal of the Board. This increase will make it difficult to decrease expenses. There is a 4% increase approved by the Legislature in 2005 that will take effect in October. The Legislature approved the increase, but did not provide any increased funding. There are three main types of funding in State government: state general funds, federal funds and state special revenue funds, which are fees and special earmark taxes. Only the general fund has the cash to cover the salary increase. The Petro Fund is a State special revenue account. For special revenue accounts, the funds for the increase must come out of the fixed amount of money the accounts already have available in the existing program budget. As a result, there will be a 4% increase in the personnel costs, necessitating a corresponding decrease in other elements of the budget, if the staffing stays the same.

In addition, the Department is reviewing its entire salary structure, because the Department's salaries are not competitive with other state agencies. As a result, the Department is losing employees to other state agencies. The Department is working to ensure that all DEQ employees are compensated at 80% of the market average. This will result in additional increases in the personal services budget. He will attempt to bring a more detailed report on those figures to the June Board meeting.

Mr. Peterson noted that the Board has asked the Department and the staff to decrease operating expenses by a total of 10%.

Presiding Officer Cross stated that it is not the intent of the Board to require the decrease to be in salaries, but perhaps those other portions of the budget.

### **Public Forum**

The next scheduled Board meeting is June 26, 2006, in Room 111 of the Metcalf Building, 1520 East 6<sup>th</sup> Avenue, Helena, MT.

Meeting adjourned at 12:52 p.m.

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Greg Cross - Presiding Officer